



# **Sterling Planet**

***Presentation to 17<sup>th</sup> Annual Industry***

***Growth Forum by Mel Jones***

***President & CEO***

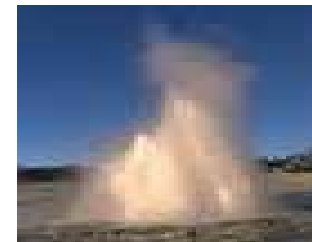
***(404) 513-0259 --- [mjones@sterlingplanet.com](mailto:mjones@sterlingplanet.com)***

Proprietary and Confidential

# Company Background and Introduction



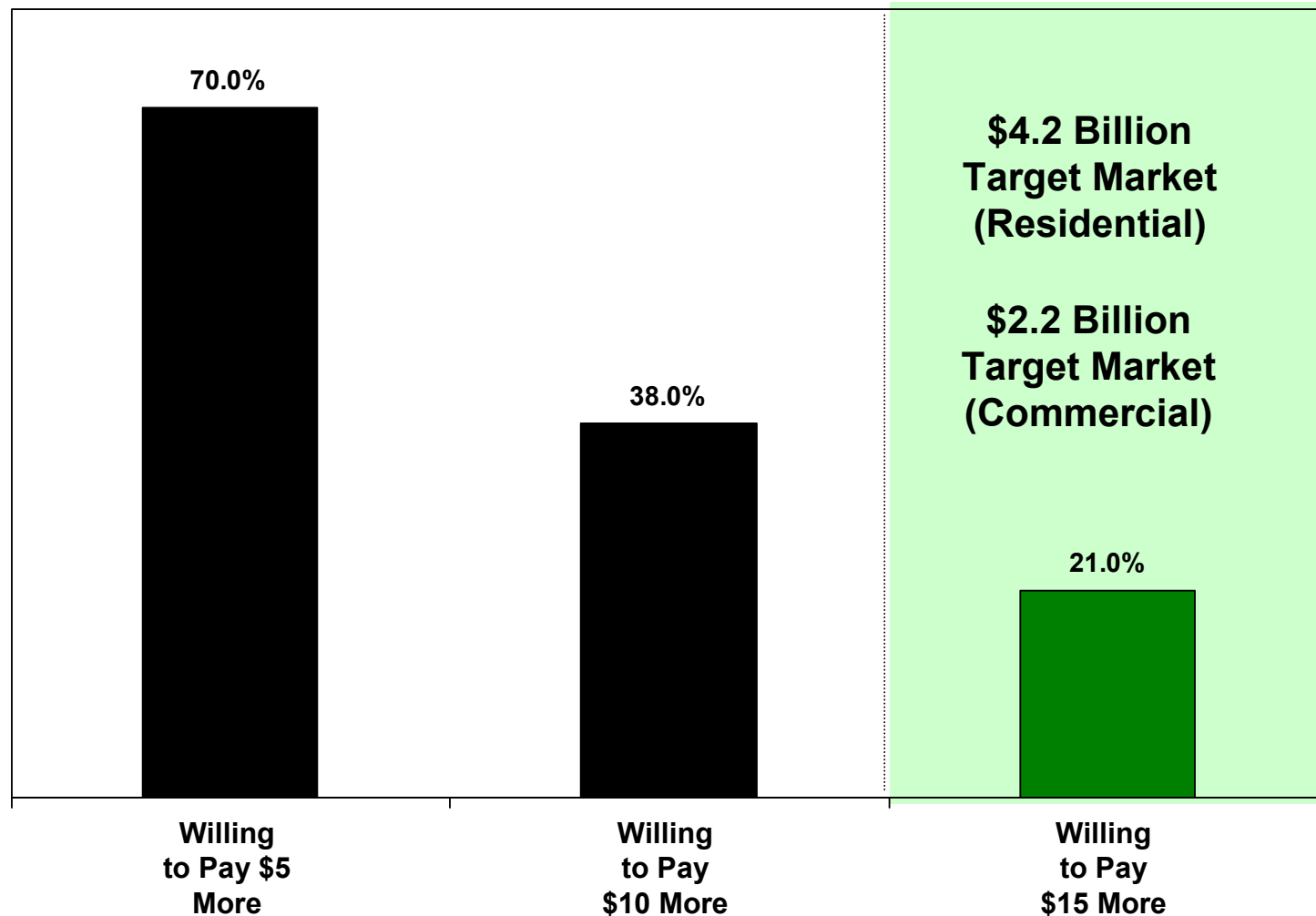
- First with a nationwide 100% green energy choice
- Founded January 2000
- Sold over 1,034,713,682 kWh of green energy
  - Includes largest transaction in U.S. green energy history
- Buyer and seller of green energy certificates
- Customers in 45 states, plus Washington, DC
- Utility partnership-based enterprise – 18 utilities to date
  - Most utility partnerships in green industry
- Infrastructure in place to grow rapidly
- Endorsed by environmental groups and U.S. governmental agencies



# Green Energy Market and Market Size



**U.S. Electricity Market is Over \$250 Billion a Year**



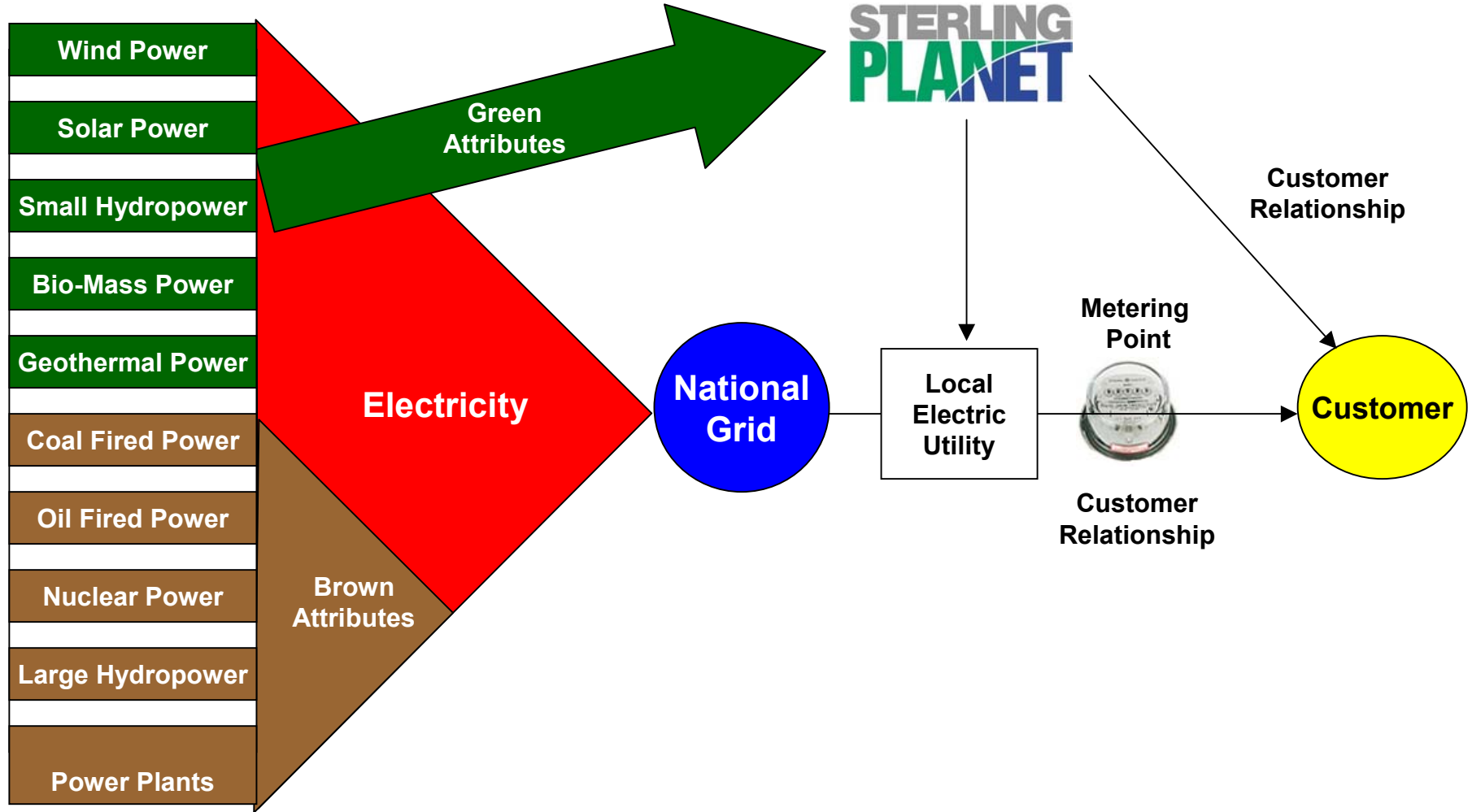
Source: National Renewable Energy Laboratory, July 1999 and Management Analysis

Proprietary and Confidential

# Value Proposition (How it Works)



## Electric Power Plants



# Competitive Landscape



**Currently, Sterling Planet is the only national retailer of green energy. However, there are numerous utility and non-utility retailers of green electricity.**

- **325 of the 3,150 electric utilities have introduced green pricing programs in their assigned territories.**
- **Most Successful Competitor - Green Mountain Energy, the leading retailer of green electricity competes in four deregulated states.**
- **Community Energy is marketing the green energy attributes from two Pennsylvania wind generation plants to PECO's customers.**
- **3 Phases has made inroads in the marketplace lately.**
- **The median green energy price today is 2.5 cents per kWh. Sterling Planet compares favorably with a national median price of 1.6 cents per kWh.**
- **During California's deregulation program, over 220,000 residential consumers switched to green energy providers.**

# State and Federal Legislative Status



## Renewable Portfolio Standards (RPS) are a Hot Topic on Many Lawmakers Agendas

### Federal

- Being Seriously Considered at Federal Level (in Senate Version of National Energy Bill).
- Key Elements of the Senate Bill
  - Federal Procurement Schedule Ranging from 3% - 7% over a five year period.
  - Renewable Portfolio Standard Ramps Up from 2.5% in 2005 to 10% by 2020.
  - If Short – Can Adhere to Schedule by Buying Renewable Energy Certificates (RECs).
  - RPS Applies only to Investor Owned Utilities.
  - Tradable Tax Incentives for Municipals, Cooperatives and Indian Reservations.
  - Production Tax Credits for All Renewables including Open-Loop Biomass.

### State

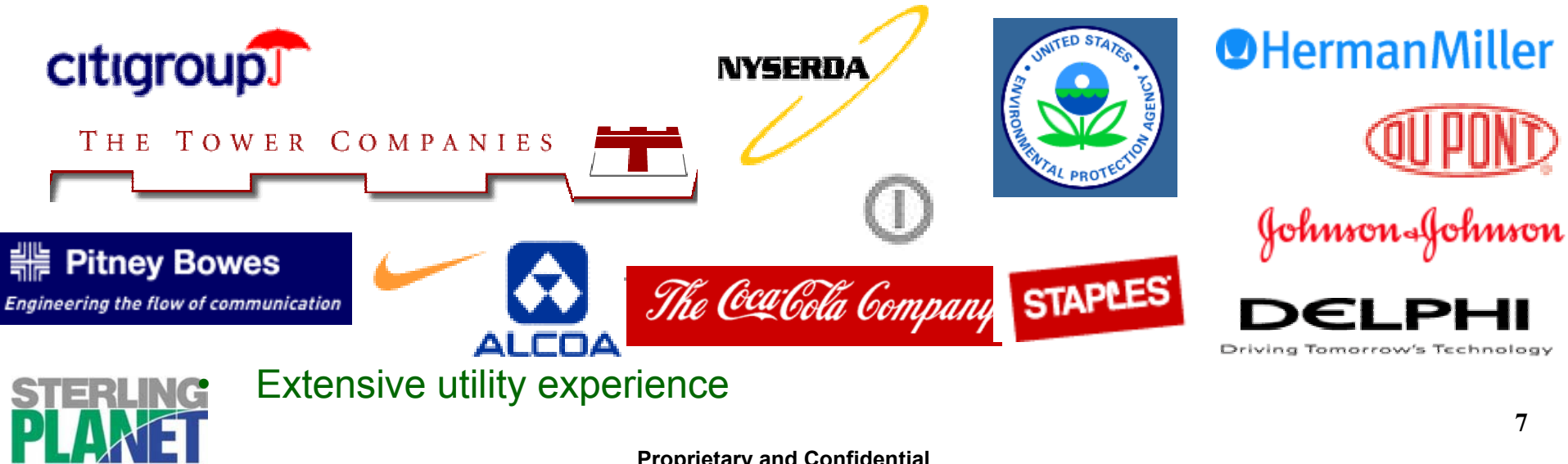
- 17 States Have an RPS – AZ, CA, CT, HI, IA, IL, ME, MA, MD, MN, NV, NJ, NM, NY, PA, TX and WI.
- 6 States Considering an RPS – CO, FL, NE, NH, UT and VT.
  - New York and California Holding Meetings All Summer to Finalize Compliance Rules

# How We're Different

- Utility partners, not competitors
- No need to switch electric utilities to buy green energy
- Flexibility to choose 50% - 100% green energy upgrade
- Strong focus on **Utility Partnering**



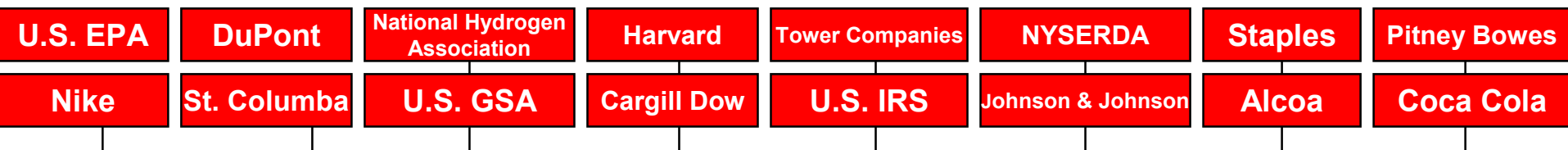
- Strong focus on Direct Sales to **Businesses**



Extensive utility experience



# Connecting The Market



Residential Customers

Local Utility Companies



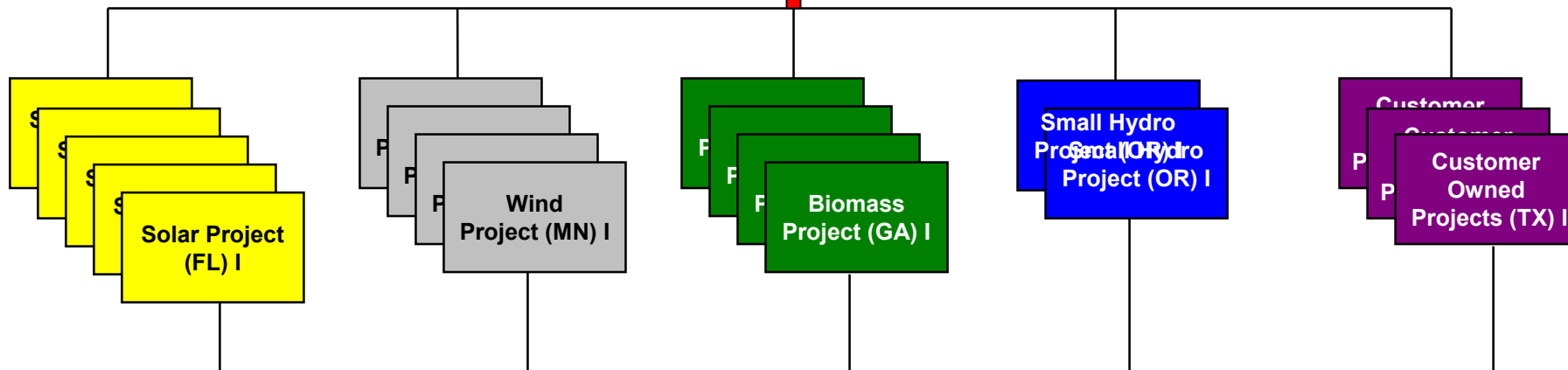
Attribute Contracts

Bi-Lateral Attribute Contracts

Actual Commercial and Industrial Customers

**Sterling Planet Markets Attributes**

Leveraging EPA Green Partnership Program



Electricity (Null Power) Contracts - PPA

Local Utility Companies



Proprietary and Confidential



# Our Management Team



205 years of utility experience

- Regulated and deregulated markets
- Gas and electric
- National and international
- Building, owning, operating power plants
  - Renewable
  - Conventional
- Business partner development
- Financial analysis
- Power purchase agreements



Chairman, Therrell “Sonny” Murphy, Jr.

- Former Treasurer of Southern Company and CFO of Several Southern Company Subsidiaries
- For 5 Years Led Southern Electric International (SEI) – Now Called Mirant

# Financial Requirements and Highlights



- Raised \$2.1 million thus far from individual investors and management team.
- Currently raising \$5 million in this round.
- Over \$82,000,000 in Revenue in Fifth Year.
- 46% EBITDA in Fifth Year.
- Exit strategy will be:
  - Sale of business to national retail energy company or utility (i.e. Shell Oil, BP Solar, Reliant Energy)
  - Merge business with retail energy company or competitor
  - IPO